



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 21, 2014

H.R. 3326
Trinity County Land Exchange Act of 2014

*As ordered reported by the House Committee on Natural Resources
on September 18, 2013*

H.R. 3326 would require the Secretary of Agriculture to exchange 100 acres of federal land in California for 50 acres of land owned by the Trinity Public Utilities District (Utilities District). Based on information provided by the Forest Service, CBO estimates that implementing the legislation would increase offsetting receipts, which are treated as reductions in direct spending; therefore, pay-as-you-go procedures apply. However, we estimate that any increase in receipts under the bill would not be significant. Enacting H.R. 3326 would not affect revenues.

Under the bill, if the value of the federal lands that would be conveyed exceeds the value of the lands the Forest Service would receive, the Secretary could accept a cash payment of any size to equalize the values of the properties. Under current law, the Secretary can only exchange federal lands within a national forest for nonfederal lands located within that forest and cannot accept a cash equalization payment greater than 25 percent of the value of the federal lands exchanged.

Formal appraisals of the properties that are the subject of this legislation have not been completed. Based on information provided by the Forest Service, CBO estimates that the affected lands have similar values (roughly \$3,000 per acre); however, because the Forest Service would convey twice as much acreage as it would receive under the bill, we estimate that the Utilities District would pay the Forest Service about \$150,000 in 2015. Those amounts would be deposited in the U.S. Treasury as offsetting receipts. In addition, under the bill, the Utilities District would be responsible for any administrative costs associated with the conveyance.

H.R. 3326 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would benefit the Trinity Public Utilities District in California. Any costs to the district resulting from the land exchange would be incurred voluntarily.

The CBO staff contact for this estimate is Jeff LaFave. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.